

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 1813 - HB 2021

February 7, 2016

SUMMARY OF BILL: Requires the Administrative Office of the Courts (AOC) to pay counsel appointed to represent indigent defendants within 30 days from the time a judicially approved claim is submitted in accordance with Rule 13, § 6 of the Rules of the Supreme Court of Tennessee, or within 60 days if the claim is deemed to be extended and complex.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – \$163,200

Assumptions:

- The AOC employs eight full-time staff to handle the claims for attorney fees under Rule 13. The positions include auditors and reviewers. These employees process approximately 500 claims per day, or approximately 63 per person per day.
- The average processing time for a claim is four to six weeks, or 28 to 42 days. Approximately five percent of the claims are deemed extended and complex. Most claims are processed and paid more than 30 days after the claim is submitted.
- The AOC will need two additional auditors and one additional reviewer to ensure that claims are paid within 30 days or within 60 days if extended and complex.
- The auditor would receive a base salary of \$30,000; the reviewer a base salary of \$50,000.
- The bill will increase recurring state expenditures by \$91,401.12 $\{[\$30,000 + (\$30,000 \times 0.2287 \text{ benefits}) + (\$30,000 \times 0.0765 \text{ FICA}) + \$6,544.56 \text{ insurance}] \times 2\}$ for the two auditors.
- The bill will increase recurring state expenditures by \$71,804.56 $[\$50,000 + (\$50,000 \times 0.2287 \text{ benefits}) + (\$50,000 \times 0.0765 \text{ FICA}) + \$6,544.56]$ for the reviewer position.
- The total increase of recurring state expenditures is \$163,205.68 $(\$91,401.12 + \$71,804.56)$.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in dark ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

/trm